GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Prohibition and Excise — Bar Policy 2022 - Orders – Issued.

REVENUE (EXCISE) DEPARTMENT

G.O.Ms.No. 460 **Dated: 17.06.2022**
Read the following:

1. From the CPE, A.P., Cr.No.2199/2022/CPE/E3. Dated 31.05.2022.
2. Govt. Memo No.REV01-CPE0POMT/1/2022-EXCISE Dated17.06.2022.

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ORDER:

The following Bar policy-2022 will be published in an Extra-ordinary Issue of the Andhra Pradesh Gazette, dated the **17th June, 2022**.

NEW BAR POLICY 2022

1. All the existing bar licenses shall expire on 30-06-2022 and fresh licences shall be obtained for operation of Bars in the State in accordance with this policy as per guidelines below:

2. In order to have a holistic policy & transparent selection process, time is provided for selection of new bars. Hence, extension of time has been proposed for existing bar licenses for a period as envisaged in the Govt. Memo 2nd read above.

   a. The new policy shall come into force on expiration of the period of extension in order to have continuity i.e., from 01.09.2022.

3. The period of license shall be (3) years subject to payment of non-refundable registration charge and license fee with an enhancement of @ 10% p.a.

4. Andhra Pradesh Government by an avowed policy is committed to reducing consumption levels of alcohol in the State with a view to improve the physical quality of life of its people, and several pro-active steps have been taken in this direction.

5. Keeping in view the Policy of reducing consumption of liquor, the number of bars shall not exceed the existing number, i.e., 840 bars.

6. 840 bars shall be spread all over the State. However, some bars shall be distributed over new areas/ Urban Local Bodies (ULBs) by rationalization of the existing number of bars, keeping the overall number of 840 intact.

7. The Commissioner of Proh. & Excise shall fix the number of Bars in each of the Urban Local Bodies (ULBs) i.e., Municipal Corporation, Municipality, Nagar Panchayat and other places so permitted from time to time

8. The selected applicant is permitted to establish the Bar anywhere in the Municipal Corporation including its 10 KM area from the periphery (within the Revenue District) or in the Municipality including its 3 KM area from the periphery (within the Revenue District) or in the Nagar Panchayat, or other places so permitted from time to time, as the case may be, subject to such restrictions as may be imposed.

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9. The non-refundable application fee for filing of applications shall be Rs.5 lakhs, 7.5 lakhs, 10 lakhs per application respectively for each of the 3 categories viz:

Population	Non-refundable Application fee
Upto 50,000	Rs. 5 Lakhs
50,001 to 5,00,000	Rs. 7.5 Lakhs
Above 5,00,000	Rs. 10 Lakhs

10. The applicants shall enroll online for participation in the selection process and submit the following documents

    a. Challan for towards non-refundable application fee
    b. A copy of plan of the proposed premises
    c. Consent letter of the owner in case the premises is rented
    d. Two recent passport size photographs
    e. Copy of Aadhar card

11. The selection shall be done through the following process of auction cum drawl of lots.

    a. The licenses for all the bars in a location (Municipal Corporation / Municipality / Nagar Panchayath/other places) shall be available for auction.
    b. The upset price for the auction for each location shall be as per applicable non-refundable registration charge.
    c. The highest bid amount quoted by the highest bidder shall be referred to as 'H1' in that auction for that location.
    d. The bidders who have quoted bid amounts between 'H1' and 90% of 'H1' shall be awarded the licenses in the order of bid amounts, provided the number of such bidders is either less or equal to the licenses proposed for auction in that proposed location.
    e. In case the number of bidders with bid amounts between 'H1' and 90% of 'H1' is more than the licenses proposed for auction in that proposed location, the licenses will be awarded in the order of bid amounts.
    f. In case the number of bidders with bid amounts less than 90% of 'H1', such bidders will be considered if they agree to match the quote of 90% of 'H1' for that location. For those applications to ensure principle of equity and transparency, licenses shall be awarded through drawl of lots, if they are more than the licenses proposed for the location.
    g. If in case there are two or more bidders with equal bid amounts for a single license, the license shall be awarded by drawl of lots.

12. The Commissioner of Prohibition & Excise shall issue notification in the State Gazette calling for online applications for grant of privilege of Bar as fixed in the ULBs/Gram Panchayats except in respect of 3-Star & above Hotels and Micro Breweries. The procedure for online enrolment and the timelines for receipt of applications, their scrutiny, auction cum drawl of lots will be appended to the Gazette notification issued by the Commissioner of Prohibition & Excise.

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13. Therefore the following licence fee and the non-refundable registration charge per annum shall be payable.

a. For Bars other than 3-Star & above Hotels and Micro Breweries

Population	Licence fee (Rs.) per Annum	Non-refundable registration charge (Rs.) per annum (Upset price)	Total (Rs.) per annum
Upto 50,000	5 lakhs	Rs. 15 Lakhs	Non-refundable registration charge (Rs.15 Lakhs) + Auction bid in multiples of 2 lakh over the non-refundable registration charge of Rs.15 Lakhs for each increase + License fee (Rs. 5 Lakhs)
50,001 to 5,00,000	5 lakhs	Rs. 35 Lakhs	Non-refundable registration charge (Rs.35 Lakhs) + Auction bid in multiples of 2 lakh over the non-refundable registration charge of Rs.35 Lakhs for each increase + License fee (Rs. 5 Lakhs)
Above 5,00,000	5 lakhs	Rs. 50 Lakhs	Non-refundable registration charge (Rs.50 Lakhs) + Auction bid in multiples of 2 lakh over the non-refundable registration charge of Rs.50 Lakhs for each increase + License fee (Rs. 5 Lakhs)

b. For 3 star and above hotels, licence fee shall be Rs. 5 lakhs and Non-refundable registration charge Rs.50 lakhs per annum with an increase of 10% every year

c. For Tourism bars/Clubs the licence fee shall be as per existing rules

14. The License Fee and the annual non-refundable registration charge for each of the licenses shall be enhanced @10% every year.

15. The annual non-refundable registration charge and the licence fee of a Bar situated in the 10 KM belt from the periphery of a Municipal Corporation and in the 3 KM belt from the periphery of a Municipality, measured in a straight line on the horizontal plane, shall be at the rates of annual non-refundable registration charge and the licence fee of Bar situated within the limits of such Municipal Corporation and Municipality respectively.

16. In case a Bar falls within the belt area of a Municipal Corporation as well as a Municipality, the non-refundable registration charge and licence fee payable shall be the non-refundable registration charge and licence fee applicable to the Bar situated in the belt area of the Municipal Corporation.

17. The policy shall be for a 3-year period.

18.A committee consisting of

i. Commissioner of Prohibition and Excise
ii. Commissioner of Distilleries & Breweries
iii. Additional Commissioner of Prohibition and Excise

shall oversee the entire process of allocation of bars in a transparent manner.

2. The Commissioner of Prohibition & Excise, Andhra Pradesh, Vijayawada shall take necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr. RAJAT BHARGAVA
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Commissioner of Printing and Stationery and Stores Purchase, Vijayawada (He is requested to furnish 100 copies to Government and 500 copies to the Commissioner of Prohibition & Excise, A.P., Vijayawada)
The Commissioner of Prohibition and Excise, Andhra Pradesh, Vijayawada.
The Commissioner of Distilleries & Breweries, AP, Vijayawada.
The Additional Commissioner of Prohibition and Excise, AP, Vijayawada.
Copy to:
The PS to Special Chief Secretary to CM.
The PS to Deputy Chief Minister (Excise)
The PS to Special Chief Secretary to Govt., Revenue (P&E and R&S) Dept.
SF/SC.

// FORWARDED :: BY ORDER //

S. E. Aravind
SECTION OFFICER